

**SURREBUTTAL TESTIMONY AND EXHIBITS OF**  
**DANIEL P. HUNNELL II**  
**ON BEHALF OF**  
**THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF**  
**DOCKET NO. 2021-153-S**

1   **Q.     PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION.**

2   A.           My name is Daniel P. Hunnell II. My business address is 1401 Main Street, Suite  
3               900, Columbia, South Carolina 29201. I am employed by the South Carolina Office of  
4               Regulatory Staff (“ORS”) in the Water Operations Department as a Senior Regulatory  
5               Analyst.

6   **Q.     DID YOU FILE DIRECT TESTIMONY AND SIX (6) EXHIBITS RELATED TO**  
7               **THIS PROCEEDING?**

8   A.           Yes, I filed direct testimony and six (6) exhibits with the Public Service  
9               Commission of South Carolina (“Commission”) on September 30, 2021.

10  **Q.     WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?**

11  A.           The purpose of my Surrebuttal Testimony is to update ORS’s calculated revenues  
12               due to an update to the total ORS calculated pro forma revenue requirement after ORS  
13               adjustments from ORS Witness Seale.

14  **Q.     PLEASE EXPLAIN THE TEST YEAR REVENUE, AS ADJUSTED BY ORS?**

15  A.           ORS Witness Seale updates the total ORS calculated pro forma revenue  
16               requirement after the correction to the depreciation expense adjustment in her surrebuttal  
17               testimony. Surrebuttal Exhibit DPH-1 details ORS’s calculated rates and charges after  
18               ORS’s proposed accounting and pro forma expense adjustments as reflected in ORS

Witness Seale's Surrebuttal Exhibit CLS-2. The total ORS calculated pro forma revenue requirement after ORS adjustments is \$3,804,777. This calculation includes miscellaneous revenue for PWR (*See* Surrebuttal Exhibit DPH-2). ORS calculates a monthly charge in the amount of \$39.07 for the residential, commercial, and multi-family rate classes and a monthly charge in the amount of \$29.16 for the mobile home rate class is required to produce the overall revenue requirement, which translates to a 3.03% rate increase.

**Q. WILL YOU UPDATE YOUR SURREBUTTAL TESTIMONY BASED ON INFORMATION THAT BECOMES AVAILABLE?**

A. Yes. ORS reserves the right to revise its recommendations via supplemental testimony should new information not previously provided by the Company, or other sources become available.

**Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?**

A. Yes, it does.

Office of Regulatory Staff  
ORS Calculated Revenues  
Palmetto Wastewater Reclamation, Inc.  
*Docket No. 2021-153-S*

ORS Calculated Revenue PWR Total Company

Customer Classification		Equivalent Residential Connection (ERC) <sup>3</sup>	Monthly Rate	ORS Calculated Revenues	Increase (%)	Company Test Year Calculated Revenues	Adjustment
Residential		15,996	\$39.07	\$624,805	3.03%	\$606,569	\$18,236
Residential - Mobile Home		624	\$29.16	\$18,194	3.03%	\$17,660	\$534
Commercial		24,348	\$39.07	\$951,251	3.03%	\$923,276	\$27,975
Multi-Family Units, Apartments, Condominiums, etc.		55,968	\$39.07	\$2,186,612	3.03%	\$2,122,307	\$64,305
		96,936		\$3,780,862		\$3,669,812	\$111,050
Misc. Other Revenue				\$23,915		\$23,743	\$172
Total Sewer Operating Revenues				\$3,804,777		\$3,693,555	\$111,222

**Office of Regulatory Staff**  
**Miscellaneous Revenues**  
**Palmetto Wastewater Reclamation, Inc.**  
*Docket No. 2021-153-S*

SURREBITTAL EXHIBIT DPH-2

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**ORS Calculated MISC Revenue PWR Total Company After ORS Adjustments**

Misc Revenue	Amount Using Actual ERC's @ 08/31/2021	After Increase	Increase Total
Late Fees	\$ 5,668	\$ 172	\$ 5,840
Notification Fees	12,025	-	12,025
New Account Processing Fees	2,640	-	2,640
Reconnect Fees	2,560	-	2,560
Returned Check Fees	850	-	850
Tap Fees (non-CIAC portion)	-	-	-
	\$ 23,743	\$ 172	\$ 23,915